

Municipal Secondary Market Disclosure Information Cover Sheet

This cover sheet should be sent with all submissions made to the Municipal Securities Rulemaking Board, Nationally Recognized Municipal Securities Information Repositories, and any applicable State Information Depository, whether the filing is voluntary or made pursuant to Securities and Exchange Commission rule 15c2-12 or any analogous state statute.

See www.sec.gov/info/municipal/nrmsir.htm for list of current NRMSIRs and SIDs

IF THIS FILING RELATES TO ALL SECURITIES ISSUED BY THE ISSUER OR ALL SECURITIES OF A SPECIFIC CREDIT OR ISSUED UNDER A SINGLE INDENTURE:

Issuer's Name (please include name of state where Issuer is located):

THE CITY OF SAN DIEGO, CALIFORNIA (OBLIGOR, PURSUANT TO CERTIFICATES OF UNDIVIDED INTEREST IN INSTALLMENT PAYMENTS PAYABLE FROM NET SYSTEM REVENUES OF THE WATER UTILITY FUND OF THE CITY OF SAN DIEGO, CALIFORNIA) (STATE: CALIFORNIA)

CERTIFICATES OF UNDIVIDED INTEREST IN INSTALLMENT PAYMENTS PAYABLE FROM NET SYSTEM REVENUES OF THE WATER UTILITY FUND OF THE CITY OF SAN DIEGO, CALIFORNIA, SERIES 1998

**PUBLIC FACILITIES FINANCING AUTHORITY OF THE CITY OF SAN DIEGO, CALIFORNIA
(STATE: CALIFORNIA)**

SUBORDINATED WATER REVENUE BONDS, SERIES 2002

Other Obligated Person's Name (if any): _____
(Exactly as it appears on the Official Statement Cover)

Provide six-digit CUSIP* number(s), if available, of Issuer:

THE CITY OF SAN DIEGO, CALIFORNIA related CUSIP: 797263

**PUBLIC FACILITIES FINANCING AUTHORITY OF THE CITY OF SAN DIEGO, CALIFORNIA related
CUSIP: 79730C**

*(Contact CUSIP's Municipal Disclosure Assistance Line at 212.438.6518 for assistance with obtaining the proper CUSIP numbers.)

TYPE OF FILING:

X Electronic: 3 pages

Paper

If information is also available on the Internet, give URL: **NOT AVAILABLE** _____

WHAT TYPE OF INFORMATION ARE YOU PROVIDING? (Check all that apply)

A. Annual Financial Information and Operating Data pursuant to Rule 15c2-12

(Financial information and operating data should not be filed with the MSRB.)

B. Financial Statements or CAFR pursuant to Rule 15c2-12

C. Notice of a Material Event pursuant to Rule 15c2-12 (Check as appropriate)

- | | |
|---|---|
| 1. Principal and interest payment delinquencies | 6. Adverse tax opinions or events affecting the tax-exempt status of the security |
| 2. Non-payment related defaults | 7. Modifications to the rights of security holders |
| 3. Unscheduled draws on debt service reserves reflecting financial difficulties | 8. Bond calls |
| 4. Unscheduled draws on credit enhancements reflecting financial difficulties | 9. Defeasances |
| 5. Substitution of credit or liquidity providers, or their failure to perform | 10. Release, substitution, or sale of property securing repayment of the securities |
| | 11. Rating changes |

D. ☒ Notice of Failure to Provide Annual Financial Information as Required – See information attached.

E. Other Secondary Market Information (Specify): _____

I hereby represent that I am authorized by the issuer or obligor or its agent to distribute this information publicly:

Issuer Contact:

Name PATRICIA T. FRAZIER Title DEPUTY CITY MANAGER
Employer CITY OF SAN DIEGO
Address 202 C STREET, MAIL STATION 9B City SAN DIEGO State CA Zip Code 92101
Telephone (619) 236-6070 Fax (619) 236-7344
Email Address _____ Issuer Web Site Address _____

Dissemination Agent Contact, if any:

Name: ROB SCHNEIDER Title: VICE PRESIDENT
Employer: WELLS FARGO BANK, CORPORATE TRUST SERVICES
Address: 707 WILSHIRE BLVD, 17TH FLOOR City: LOS ANGELES State: CA Zip Code: 90017
Telephone: (213) 614-3353 Fax: (213) 614-3355
Email Address _____ Relationship to Issuer: TRUSTEE

Investor Relations Contact, if any:

Name DENNIS KAHLIE Title UTILITIES FINANCE ADMISTRATOR
Telephone (619) 235-5834 Email Address _____

NOTICE TO MUNICIPAL SECURITIES RULEMAKING BOARD AND
NATIONALLY RECOGNIZED MUNICIPAL SECURITIES INFORMATION REPOSITORIES
OF FAILURE TO FILE ANNUAL FINANCIAL REPORT OF
THE CITY OF SAN DIEGO &
THE PUBLIC FACILITIES FINANCING AUTHORITY OF THE CITY OF SAN DIEGO

The Annual Report does not include the financial statements for the year ended June 30, 2003 (the "2003 Statements"), for the Water Utility Fund. The City found errors in the Sewer Revenue Fund financial statements for the year ended June 30, 2002, as well as other 2002 financial statements of the City, including its Comprehensive Annual Financial Report (the "2002 CAFR"). It is the opinion of the City Auditor and the City Outside Auditor (Caporicci and Larson) that, in accordance with accounting and auditing professional guidelines, discovered errors related primarily to footnotes, and were not material either individually or in the aggregate in the context of the 2002 CAFR taken as a whole. The City has retained the accounting firm of KPMG LLP, to perform a full scope audit and render an opinion on the 2003 Statements and the basic financial statements in the Comprehensive Annual Financial Report for the fiscal year ending June 30, 2003 (the "2003 CAFR"). The City is therefore delaying release of the 2003 Statements as well as other financial statements that may be contingent on results of the 2003 CAFR audit. The City currently expects to have these audited financial statements ready for publication in June of 2004, although no assurance can be given that the audited 2003 Statements will in fact be published by then. At such time as the audited 2003 Statements are published, the Annual Report will be appropriately amended to provide the 2003 Statements, which will be submitted as an addendum to the Annual Report.

The remainder of the Annual Report information required under the Continuing Disclosure Agreements was filed with the Nationally Recognized Municipal Securities Information Repositories and the Trustee on or before March 26, 2004, in compliance with the Continuing Disclosure Agreements.

Dated: March 26, 2004


_____,
Disclosure Representative

cc: Wells Fargo Bank, Corporate Trust Services (Trustee and Dissemination Agent)